NOTICE OF INTENT

Department of Environmental Quality Office of Environmental Assessment Environmental Planning Division

Control of Emission of Organic Compounds (LAC 33:III.2104, 2108, 2115, 2123, 2125, 2143, 2147, 2149, 2151, and 2153) (AQ236)

Under the authority of the Environmental Quality Act, R.S. 30:2001 et seq., and in accordance with the provisions of the Administrative Procedure Act, R.S. 49:950 et seq., the secretary gives notice that rulemaking procedures have been initiated to amend the Air regulations, LAC 33:III.2104, 2108, 2115, 2123, 2125, 2143, 2147, 2149, 2151, and 2153 (Log #AQ236).

This rule proposes reasonably available control technology (RACT) regulations for sources of VOC emissions in the five-parish Baton Rouge ozone nonattainment area that are subject to the new lower major stationary source threshold of 25 tons per year. This rule also provides clarification to some language that was unclear or confusing. On April 24, 2003, the Environmental Protection Agency reclassified or "bumped up" by operation of the law the Baton Rouge ozone nonattainment area from a classification of "serious" to "severe", effective June 23, 2003 (68 FR 20077). The five-parish Baton Rouge ozone nonattainment area includes the parishes of Ascension, East Baton Rouge, Iberville, Livingston, and West Baton Rouge. Under Section 182(i) of the 1990 Clean Air Act Amendments (CAAA), serious ozone nonattainment areas reclassified to severe are required to submit State Implementation Plan revisions addressing the severe area requirements for the one-hour ozone National Ambient Air Quality Standard. Under Section 182(d) of the 1990 CAAA, severe area plans must include requirements for RACT rules for sources of VOC emissions of 25 tons per year, which is the new lower major threshold in the five-parish Baton Rouge ozone nonattainment area. This rule is also being proposed as a revision to the Louisiana State Implementation Plan for air quality. The basis and rationale for this rule are to comply with the provisions of the 1990 Clean Air Act Amendments.

This proposed rule meets an exception listed in R.S. 30:2019(D)(2) and R.S. 49:953(G)(3); therefore, no report regarding environmental/health benefits and social/economic costs is required. This proposed rule has no known impact on family formation, stability, and autonomy as described in R.S. 49:972.

A public hearing will be held on September 24, 2003, at 1:30 p.m. in the Galvez Building, Room C111, 602 N. Fifth Street, Baton Rouge, LA 70802. The hearing will also be for the revision to the State Implementation Plan (SIP) to incorporate this proposed rule. Interested persons are invited to attend and submit oral comments on the proposed amendments. Should individuals with a disability need an accommodation in order to participate, contact Lynn Wilbanks at the address given below or at (225) 219-3550. Free parking is available across the street in the Galvez parking garage when the parking ticket is validated by department personnel at the hearing.

All interested persons are invited to submit written comments on the proposed regulation. Persons commenting should reference this proposed regulation by AQ236. Such comments must be received no later than October 1, 2003, at 4:30 p.m., and should be sent to Lynn Wilbanks, Office of Environmental Assessment, Regulation Development Section, Box 4314, Baton Rouge, LA 70821-4314 or to FAX (225) 219-3582 or by e-mail to lynnw@ldeq.org. Copies of this proposed regulation can be purchased by contacting the DEQ Public Records Center at (225) 219-3168. Check or money order is required in advance for each copy of AQ236.

This proposed regulation is available for inspection at the following DEQ office locations from 8 a.m. until 4:30 p.m.: 602 N. Fifth Street, Baton Rouge, LA 70802; 1823 Highway 546, West Monroe, LA 71292; State Office Building, 1525 Fairfield Avenue, Shreveport, LA 71101; 1301 Gadwall Street, Lake Charles, LA 70615; 201 Evans Road, Building 4, Suite 420, New Orleans, LA 70123; 111 New Center Drive, Lafayette, LA 70508; 104 Lococo Drive, Raceland, LA 70394 or on the Internet at http://www.deq.state.la.us/planning/regs/index.htm.

James H. Brent, Ph.D. Assistant Secretary

Title 33 ENVIRONMENTAL QUALITY

Part III. Air

Chapter 21. Control of Emission of Organic Compounds

Subchapter A. General §2104. Crude Oil and Condensate

A. Applicability. This Section applies to any oil and gas production facility (SIC Code 1311), natural gas processing plant (SIC Code 1321), or natural gas transmission facility (SIC Code 4922) that has a potential to emit more than 5025 Tons Per Year (TPY) or more of flash gas to the atmosphere in the parishes of Ascension, Calcasieu, East Baton Rouge, Iberville, Livingston, and West Baton Rouge; more than 50 TPY of flash gas to the atmosphere in the parish of Calcasieu; or more than 100 TPY of flash gas to the atmosphere in any other parish.

B. - C.1...

- 2. For facilities in the parishes of Ascension, Calcasieu, East Baton Rouge, Iberville, Livingston, and West Baton Rouge with a potential to emit less than 250 tons per year of flash gas, aggregated facility flash gas emissions shall be reduced by a minimum of 95 percent or, by means of a federally enforceable permit revision, reduced to a potential to emit of less than 5025 TPY.
- 3. For facilities in the parish of Calcasieu with a potential to emit less than 250 tons per year of flash gas, aggregated facility flash gas emissions shall be reduced by a minimum of 95 percent or, by means of a federally enforceable permit revision, reduced to a potential to emit of less than 50 TPY.
- 3.4. For facilities in parishes other than Ascension, Calcasieu, East Baton Rouge, Iberville, Livingston, and West Baton Rouge with a potential to emit less than 250 tons per year of flash gas, aggregated facility flash gas emissions shall be reduced by a minimum of 95 percent, or by means of a federally enforceable permit revision, reduced to a potential to emit of less than 100 TPY.

D. - D.3...

E. Compliance Schedule. For equipment located in the parishes of Ascension, East Baton Rouge, Iberville, Livingston, and West Baton Rouge, compliance shall be achieved as soon as practicable, but no later than September 1, 1998. For equipment located in the parish of Calcasieu with a potential to emit less than 100 TPY, compliance shall be achieved as soon as practicable, but no later than August 20, 2003. For all other facilities compliance shall be achieved as soon as practicable, but no later than May 1, 1999. A facility that has become subject to this regulation as a result of a revision of the regulation shall comply with the requirements of this Section as soon as practicable, but in no event later than one year from the promulgation of the regulation revision.

F. - G.5. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 30:2054.

HISTORICAL NOTE: Promulgated by the Department of Environmental Quality, Office of Air Quality and Radiation Protection, Air Quality Division, LR 23:1497 (November 1997), amended by the Office of Environmental Assessment, Environmental Planning Division, LR 28:1764 (August 2002), LR 29:

§2108. Marine Vapor Recovery

A. Applicability. An affected facility is any marine loading operation serving ships and/or barges loading crude oil, gasoline, or volatile organic compounds (VOCs) with an uncontrolled emission of a potential to emit 25 tons per year (TPY) or more of VOC in the parishes of Ascension, East Baton Rouge, Iberville, Livingston, and West Baton Rouge, or 100 tons per year (TPY) or greater of volatile organic compounds VOC in any other parish. Emissions from VOCs with a true vapor pressure of less than 1.5 psia at the loading temperature of the liquid are exempt from the control requirements of this Section.

B. - D.3. ...

4. A facility that has become subject to this regulation as a result of a revision of the regulation shall comply with the requirements of this Section as soon as practicable, but in no event later than one year from the promulgation of the regulation revision.

E. – H.2. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 30:2054.

HISTORICAL NOTE: Promulgated by the Department of Environmental Quality, Office of Air Quality and Nuclear Energy, Air Quality Division, LR 14:704 (October 1988), amended by the Office of Air Quality and Radiation Protection, Air Quality Division, LR 16:959 (November 1990), LR 22:1212 (December 1996), LR 23:1678 (December 1997), LR 24:20 (January 1998), LR 24:1285 (July 1998), amended by the Office of Environmental Assessment, Environmental Planning Division, LR 26:2452 (November 2000), LR 29:

§2115. Waste Gas Disposal

Any waste gas stream containing <u>volatile organic compounds (VOCs)</u> from any emission source shall be controlled by one or more of the applicable methods set forth in Subsections A-G of this Section. This Section shall apply to all waste gas streams located at facilities that have the potential to emit <u>5025</u> TPY or more of VOCs in the parishes of Ascension, <u>Calcasieu</u>, East Baton Rouge, Iberville, Livingston, <u>Pointe Coupee</u>, and West Baton Rouge, <u>50 TPY or more of VOCs</u> in the parishes of <u>Calcasieu and Pointe Coupee</u>; or 100 TPY or more of <u>VOCs</u> in any other parish. This Section does not apply to waste gas streams that must comply with a control requirement, meet an exemption, or are below an applicability threshold specified in another section of this Chapter. This Section does not apply to waste gas streams that are required by

another federal or state regulation to implement controls that reduce VOCs to a more stringent standard than would be required by this Section.

a. it can be demonstrated that the waste gas stream is not a part of a facility that emits, or has the potential to emit, 5025 TPY or more of VOCs in the parishes of Ascension, Calcasieu, East Baton Rouge, Iberville, Livingston, Pointe Coupee, and West Baton Rouge; 50 TPY or more of VOC in the parishes of Calcasieu and Pointe Coupee; or 100 TPY or more of VOCs in any other parish;

H.1.b. - I.5...

J. Compliance. All facilities affected by this Section shall be in compliance as soon as practicable but in no event later than August 20, 2003. A facility that has become subject to this regulation as a result of a revision of the regulation shall comply with the requirements of this Section as soon as practicable, but in no event later than one year from the promulgation of the regulation revision.

J.1. – M. Waste Gas Stream. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 30:2054.

HISTORICAL NOTE: Promulgated by the Department of Environmental Quality, Office of Air Quality and Nuclear Energy, Air Quality Division, LR 13:741 (December 1987), amended by the Office of Air Quality and Radiation Protection, Air Quality Division, LR 16:960 (November 1990), LR 17:654 (July 1991), LR 18:1122 (October 1992), LR 19:317 (March 1993), LR 22:1212 (December 1996), LR 24:21 (January 1998), amended by the Office of Environmental Assessment, Environmental Planning Division, LR 28:1764 (August 2002), LR 29:

Subchapter B. Organic Solvents §2123. Organic Solvents

A. - D.7. ...

a. the affected portion of the facility will not emit more than <u>25 tons</u> per year (TPY) of VOC if the facility is located in the parish of Ascension, East Baton Rouge, <u>Iberville, Livingston, or West Baton Rouge, or more than</u> 50 tons per year <u>TPY of VOC if</u> located in any other parish;

D.7.b. – G. Repair and Maintenance Thermoplastic Coating. ...

H. Timing. A facility that has become subject to this regulation as a result of a revision of the regulation shall comply with the requirements of this Section as soon as practicable, but in no event later than one year from the promulgation of the regulation revision.

AUTHORITY NOTE: Promulgated in accordance with R.S. 30:2054.

HISTORICAL NOTE: Promulgated by the Department of Environmental Quality, Office of Air Quality and Nuclear Energy, Air Quality Division, LR 13:741 (December 1987), amended LR 16:119 (February 1990), amended by the Office of Air Quality and Radiation Protection, Air Quality Division, LR 17:654 (July 1991), LR 18:1122 (October 1992), LR 22:340 (May 1996), LR 22:1212 (December 1996), LR 23:1678 (December 1997), LR 24:23 (January 1998), LR 24:1285 (July 1998), amended by the Office of Environmental Assessment, Environmental Planning Division, LR 25:1240 (July 1999), LR 26:2453 (November 2000), LR 28:1765 (August 2002), LR 29:

Subchapter C. Vapor Degreasers §2125. Vapor Degreasers

A. - C.2.j. ...

D. Exemptions. Except as required in this Subsection, a vapor degreaser emitting 100 pounds (45 kilograms) or less of <u>volatile organic compounds (VOCs)</u> in any consecutive 24-hour period (uncontrolled) is exempt from the provisions of this Section provided the total emissions from all the vapor degreasers at the facility combined are less than 100 tons/ <u>per</u> year of VOCs, uncontrolled. If these two conditions are not met, the provisions of this Section must apply. For <u>the parishes of Ascension</u>, Calcasieu, East Baton Rouge, Iberville, Livingston, Pointe Coupee, and West Baton Rouge <u>parishes</u>, the requirements of this Section apply to all solvent metal cleaners, except as <u>follows stated in this Subsection</u>.

D.1. - G. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 30:2054. HISTORICAL NOTE: Promulgated by the Department of Environmental Quality, Office of Air Quality and Nuclear Energy, Air Quality Division, LR 13:741 (December 1987), amended by the Office of Air Quality and Radiation Protection, Air Quality Division, LR 16:962 (November 1990), LR 18:1122 (October 1992), LR 22:1212 (December 1996), amended by the Office of Environmental Assessment, Environmental Planning Division, LR 28:1765 (August 2002), LR 29:

Subchapter H. Graphic Arts §2143. Graphic Arts (Printing) by Rotogravure and Flexographic Processes

A. Control Requirements. No person shall operate or allow the operation of a packaging rotogravure, publication rotogravure, or flexographic printing facility having a potential to emit 5025 TPY or more of VOCs in the parishes of Ascension, Calcasieu, East Baton Rouge, Iberville, Livingston, Pointe Coupee, and West Baton Rouge; having a potential to emit 50 TPY or more of VOC in the parishes of Calcasieu and Pointe Coupee; or having a potential to emit 100 TPY or more of VOCs in any other parish, unless VOC emissions are controlled by one of the methods in Paragraphs A.1-5 of this Section. Once a facility is subject to the provisions of this Section, it remains so regardless of future variations in production.

1. - 5. ...

B. Applicability Exemption. A rotogravure or flexographic printing facility that has the potential to emit, at full production (8760 hours per year basis), a combined weight of VOCs of less than 5025 TPY (in the parishes of Ascension, Calcasieu, East Baton Rouge, Iberville, Livingston, Pointe Coupee, and West Baton Rouge); less than 50 TPY in the parishes of Calcasieu and Pointe Coupee; or less than 100 TPY (in any other parish), calculated from historical records of actual consumption of ink, is exempt from the provisions of Subsections A and C of this Section and need only comply with Subsection D of this Section.

C. - D.3. ...

E. Timing. A facility that has become subject to this regulation as a result of a revision of the regulation shall comply with the requirements of this Section as soon as practicable, but in no event later than one year from the promulgation of the regulation revision.

AUTHORITY NOTE: Promulgated in accordance with R.S. 30:2054.

HISTORICAL NOTE: Promulgated by the Department of Environmental Quality, Office of Air Quality and Nuclear Energy, Air Quality Division, LR 13:741 (December 1987), amended by the Office of Air Quality and Radiation Protection, Air Quality Division, LR 16:964 (November 1990), LR 18:1123 (October 1992), LR 22:1212 (December 1996), LR 24:25 (January 1998), amended by the Office of Environmental Assessment, Environmental Planning Division, LR 25:1796 (October 1999), LR 28:1765 (August 2002), LR 29:

Subchapter J. Limiting Volatile Organic Compound (VOC) Emissions from Reactor Processes and Distillation Operations in the Synthetic Organic Chemical Manufacturing Industry (SOCMI)

§2147. Limiting VOC Emissions from SOCMI Reactor Processes and Distillation Operations

A. Applicability

1. The provisions of this Subchapter apply to any vent stream discharging to the atmosphere and originating from a process unit in which a reactor process or distillation operation is located. This Subchapter shall apply to all vents located at facilities that emit, or have the potential to emit, 50 25 tons per year (TPY) or more of volatile organic compounds (VOC), plantwide, in the affected parishes of Ascension, Calcasieu, East Baton Rouge, Iberville, Livingston, Pointe Coupee and West Baton Rouge, or 50 TPY or more of VOC in the parishes of Calcasieu and Pointe Coupee. Once an operation is considered to be covered by this Subchapter, it shall be so considered ad infinitum. A decision tree is provided (Figure 1) to facilitate determination of applicability to this Subchapter on a per vent basis. The total resource effectiveness (TRE) index value may be applied on an individual process vent stream basis for a given process unit. Compliance with this rule shall be attained within a period of two years after promulgation. A facility that has become subject to this regulation as a result of a revision of the regulation shall comply with the requirements of this Section as soon as practicable, but in no event later than one year from the promulgation of the regulation revision. Any emission source

that is subject to this rule and to the Waste Gas Disposal Rule (LAC 33:III.2115) shall comply with this rule only. This rule shall apply only to Standard Industrial Major Code 28.

A.2. – Figure 1. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 30:2054.

HISTORICAL NOTE: Promulgated by the Department of Environmental Quality, Office of Air Quality and Radiation Protection, Air Quality Division, LR 21:380 (April 1995), amended LR 22:1212 (December 1996), LR 23:1508 (November 1997), LR 23:1510 (November 1997), LR 23:1679 (December 1997), LR 24:1286 (July 1998), amended by the Office of Environmental Assessment, Environmental Planning Division, LR 29:

Subchapter K. Limiting Volatile Organic Compound (VOC) Emissions from Batch Processing

§2149. Limiting Volatile Organic Compound VOC Emissions from Batch Processing

A. Applicability

1. The provisions of this Subchapter apply to process vents associated with batch processing operations. This Subchapter shall apply to the stationary sources that emit, or have the potential to emit, 5025 tons per year (TPY) or more of volatile organic compounds (VOCs) in the affected parishes of Ascension, Calcasieu, East Baton Rouge, Iberville, Livingston, Pointe Coupee and West Baton Rouge, or 50 TPY or more of VOC in the parishes of Calcasieu and Pointe Coupee. Once an operation is considered to be covered by this Subchapter, it shall be so considered ad infinitum. The scope of affected industries is limited to those industries in the following standard industrial classification (SIC) codes: 2821, 2833, 2834, 2861, 2865, 2869, 2879. Compliance with this rule shall be attained within a period of two years after promulgation. A facility that has become subject to this regulation as a result of a revision of the regulation shall comply with the requirements of this Section as soon as practicable, but in no event later than one year from the promulgation of the regulation revision. Any emission source that is subject to this rule and to the Waste Gas Disposal Rule (LAC 33:III.2115) shall comply with this rule only.

A.2. - G.2.c.v...

AUTHORITY NOTE: Promulgated in accordance with R.S. 30:2054.

HISTORICAL NOTE: Promulgated by the Department of Environmental Quality, Office of Air Quality and Radiation Protection, Air Quality Division, LR 21:387 (April 1995), amended LR 22:1212 (December 1996), LR 23:1507 (November 1997), amended by the Office of Environmental Assessment, Environmental Planning Division, LR 29:

Subchapter L. Limiting Volatile Organic Compound (VOC) Emissions from Cleanup Solvent Processing

§2151. Limiting Volatile Organic Compound <u>VOC</u> Emissions from Cleanup Solvent Processing

A. Applicability. The provisions of this Subchapter apply to stationary sources that emit, or have the potential to emit, 5025 TPY or more of volatile organic compounds VOC and conduct one or more of the affected cleaning operations in the parishes of Ascension, Calcasieu, East Baton Rouge, Iberville, Livingston, Pointe Coupee, and or West Baton Rouge, or 50 TPY or more of VOC and conduct one or more of the affected cleaning operations in the parish of Calcasieu or Pointe Coupee. Once a source is subject to this Subchapter, it shall be so, ad infinitum. Affected cleaning operations are ones that use solvents in the following operations:

A.1. – E. ...

F. Timing. A facility that has become subject to this regulation as a result of a revision of the regulation shall comply with the requirements of this Section as soon as practicable, but in no event later than one year from the promulgation of the regulation revision.

AUTHORITY NOTE: Promulgated in accordance with R.S. 30:2054. HISTORICAL NOTE: Promulgated by the Department of Environmental Quality, Office of Air Quality and Radiation Protection, Air Quality Division, LR 21:391 (April 1995), amended LR 24:25 (January 1998), amended by the Office of Environmental Assessment, Environmental Planning Division, LR 26:2453 (November 2000), LR 29:

Subchapter M. Limiting Volatile Organic Compound <u>(VOC)</u> Emissions From Industrial Wastewater

§2153. Limiting VOC Emissions From Industrial Wastewater

A. Definitions. Unless specifically defined in LAC 33:III.111, the terms in this Chapter shall have the meanings normally used in the field of air pollution control. Additionally the following meanings apply, unless the context clearly indicates otherwise.

Affected Source Category—any facilities of the following source categories located in the parishes of Ascension, Calcasieu, East Baton Rouge, Iberville, Livingston, Pointe Coupee, and West Baton Rouge parishes and having the potential to emit 5025 TPY or more of VOCs, or located in the parishes of Calcasieu and Pointe Coupee and having the potential to emit 50 TPY or more of VOC:

a. – d. ...

* * *

B. - H.5. ...

I. Parishes and Compliance Schedules. For the affected facilities in the parishes of Ascension, Calcasieu, East Baton Rouge, Iberville, Livingston, Pointe Coupee, and West Baton Rouge parishes, any person who is the owner or operator of an affected source category within a plant shall be in compliance with these regulations no later than November 15, 1996. If an additional affected VOC wastewater stream is generated as a result of a process change, the wastewater shall be in compliance with this Section upon initial startup or by November 15,

1998, whichever is later, unless the owner or operator demonstrates to the administrative authority* that achieving compliance will take longer. If this demonstration is satisfactory to the administrative authority*, compliance shall be achieved as expeditiously as practicable, but in no event later than three years after the process change. An existing wastewater stream that becomes an affected VOC wastewater stream due to a process change must be in compliance with this Section as expeditiously as practicable, but in no event later than three years after the process change. A facility that has become subject to this regulation as a result of a revision of the regulation shall comply with the requirements of this Section as soon as practicable, but in no event later than one year from the promulgation of the regulation revision.

AUTHORITY NOTE: Promulgated in accordance with R.S. 30:2054. HISTORICAL NOTE: Promulgated by the Department of Environmental Quality, Office of Air Quality and Radiation Protection, Air Quality Division, LR 21:936 (September 1995), amended LR 22:1212 (December 1996), LR 24:26 (January 1998), LR 25:850 (May 1999), amended by the Office of Environmental Assessment, Environmental Planning Division, LR 26:2453 (November 2000), LR 28:1765 (August 2002), LR 29:

FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES LOG #: AQ236

Person Preparing

Statement: Paul Heussner Dept.: Department of Environmental Quality
Phone: (225) 219-3576 Office: Office of Environmental Assessment

Return Rule

Address: P. O. Box 4314 Title: Control of Emission of Organic

Baton Rouge, LA 70821-4314 Compounds (LAC 33:III. 2104, 2108,

2115, 2123, 2125, 2143, 2147, 2149,

2151, and 2153)

Date Rule

Takes Effect: Upon Promulgation

SUMMARY

(Use complete sentences)

In accordance with Section 953 of Title 49 of the Louisiana Revised Statutes, there is hereby submitted a fiscal and economic impact statement on the rule proposed for adoption, repeal or amendment. THE FOLLOWING STATEMENTS SUMMARIZE ATTACHED WORKSHEETS, I THROUGH IV AND WILL BE PUBLISHED IN THE LOUISIANA REGISTER WITH THE PROPOSED AGENCY RULE.

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

There are no known implementation costs or savings to state or local governmental units.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

State government emissions fee collections are estimated to be reduced by a very minimal amount, probably less than \$1,000, due to estimated reductions of approximately 70 to 80 tons per year that will result from the changes being made to the rule. Precise numbers are not available.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS (Summary)

It is anticipated that this rule will affect about 20 facilities that emit between 25 and 50 tons per year of volatile organic compounds in the Baton Rouge ozone nonattainment area. Anticipated costs are believed to be low, because some of these facilities may already be operating at the required level or they may be exempt; but no supporting data is available.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

There is no estimated effect on competition and employment.

Signature of Agency Head or Designee	LEGISLATIVE FISCAL OFFICER OR DESIGNEE
Thomas C. Bickham, III, Undersecretary	
Typed Name and Title of Agency Head or D	esignee
Date of Signature LFO 7/1/94	Date of Signature

FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES

The following information is requested in order to assist the Legislative Fiscal Office in its review of the fiscal and economic impact statement and to assist the appropriate legislative oversight subcommittee in its deliberation on the proposed rule.

A. Provide a brief summary of the content of the rule (if proposed for adoption or repeal) or a brief summary of the change in the rule (if proposed for amendment). Attach a copy of the notice of intent and a copy of the rule proposed for initial adoption or repeal (or, in the case of a rule change, copies of both the current and proposed rules with amended portions indicated).

The revision proposes reasonably available control technology (RACT) rules for sources of VOC emissions in the five-parish Baton Rouge ozone nonattainment area that are subject to the new lower major stationary source threshold of 25 tons per year. The proposed rule also provides clarification to some language that was unclear or confusing.

B. Summarize the circumstances which require this action. If the Action is required by federal regulation, attach a copy of the applicable regulation.

On April 24, 2003, the Environmental Protection Agency reclassified or "bumped up" by operation of law the Baton Rouge ozone nonattainment area from a classification of "serious" to "severe", effective June 23, 2003 (68 FR 20077). The five-parish Baton Rouge ozone nonattainment area includes the parishes of Ascension, East Baton Rouge, Iberville, Livingston, and West Baton Rouge. Under section 182(i) of the 1990 Clean Air Act amendments serious ozone nonattainment areas reclassified to severe are required to submit State Implementation Plan revisions addressing the severe area requirements for the one-hour ozone National Amibient Air Quality Standard. Under section 182(d), severe area plans must include requirements for RACT rules for sources of VOC emissions of 25 tons per year, which is the new lower major source threshold in the 5-parish Baton Rouge ozone nonattainment area.

- C. Compliance with Act II of the 1986 First Extraordinary Session
 - (1) Will the proposed rule change result in any increase in the expenditure of funds? If so, specify amount and source of funding.

This proposed rule will not result in any increase in the expenditure of funds.

2)	If the answer to (1) above is yes, has the Legislature specifically appropriated the funds
neces	sary for the associated expenditure increase?

(a) ____ Yes. If yes, attach documentation.
 (b) ____ No. If no, provide justification as to why this rule change should be published at this time.

This proposed rule will not result in any increase in the expenditure of funds.

FISCAL AND ECONOMIC IMPACT STATEMENT

WORKSHEET

I. A. <u>COSTS OR SAVINGS TO STATE AGENCIES RESULTING FROM THE ACTION PROPOSED</u>

1. What is the anticipated increase (decrease) in costs to implement the proposed action?

There will be no additional costs or savings to state governmental units as a result of this rule.

COSTS	FY 03-04	FY 04-05	FY 05-06
DEDOOMAL OFFINIOES			
PERSONAL SERVICES			
OPERATING EXPENSES			
PROFESSIONAL SERVICES_			
OTHER CHARGES			
EQUIPMENT			
TOTAL	0	0	0
MAJOR REPAIR & CONSTR.	0	0	0
POSITIONS (#)	0	0	0

2. Provide a narrative explanation of the costs or savings shown in "A.1.", including the increase or reduction in workload or additional paperwork (number of new forms, additional documentation, etc.) anticipated as a result of the implementation of the proposed action. Describe all data, assumptions, and methods used in calculating these costs.

There are no costs or savings associated with the proposed rule. Existing staff will absorb any workload adjustment.

3. Sources of funding for implementing the proposed rule or rule change.

SOURCE	FY 03-04	FY 04-05	FY 05-06
STATE GENERAL FUND			
AGENCY SELF-GENERATED			
DEDICATED			
FEDERAL FUNDS			
OTHER (Specify)			
TOTAL	0	0	0

4. Does your agency currently have sufficient funds to implement the proposed action? If not, how and when do you anticipate obtaining such funds?

No additional funds are required to implement the proposed action.

B. <u>COST OR SAVINGS TO LOCAL GOVERNMENTAL UNITS RESULTING FROM THE ACTION PROPOSED.</u>

1. Provide an estimate of the anticipated impact of the proposed action on local governmental units, including adjustments in workload and paperwork requirements. Describe all data, assumptions and methods used in calculating this impact.

There is no estimated impact on local governmental units.

2. Indicate the sources of funding of the local governmental unit which will be affected by these costs or savings.

There is no estimated impact on local governmental units.

FISCAL AND ECONOMIC IMPACT STATEMENT WORKSHEET

II. <u>EFFECT ON REVENUE COLLECTIONS OF STATE AND LOCAL GOVERNMENTAL UNITS</u>

A. What increase (decrease) in revenues can be anticipated from the proposed action?

If there is any change in revenues of state government it will be extremely small, less than \$1000. There is no effect on local government.

REVENUE INCREASE/DECR	EASE FY 03-04	FY 04-05	FY 05-06		
STATE GENERAL FUND	<\$1000 decrease	<\$1000 decrease	<\$1000 decrease		
AGENCY SELF-GENERATED					
RESTRICTED FUNDS*					
FEDERAL FUNDS					
LOCAL FUNDS					
TOTAL	<\$1000 decrease	<\$1000 decrease	<\$1000 decrease		
*Specify the particular fund heing impacted					

^{*}Specify the particular fund being impacted.

B. Provide a narrative explanation of each increase or decrease in revenues shown in "A." Describe all data, assumptions, and methods used in calculating these increases or decreases.

State government emissions fee collections are estimated to be reduced by a very minimal amount, probably less than \$1,000, due to emissions reductions that will result from the changes being made to the rule. Precise numbers are not available.

III. <u>COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR</u> NONGOVERNMENTAL GROUPS

A. What persons or non-governmental groups would be directly affected by the proposed action? For each, provide an estimate and a narrative description of any effect on costs, including workload adjustments and additional paperwork (number of new forms, additional documentation, etc.), they may have to incur as a result of the proposed action.

The proposed rule affects subject facilities in the Baton Rouge Nonattainment Area (parishes of Ascension, East Baton Rouge, Iberville, Livingston, and West Baton Rouge). About 20 additional facilities that emit between 25 and 50 tons per year of organic compounds will be affected. Estimated costs are believed to be low, but no supporting data are available.

B. Also provide an estimate and a narrative description of any impact on receipts and/or income resulting from this rule or rule change to these groups.

No estimates on the impact on receipts or income are available.

IV. EFFECTS ON COMPETITION AND EMPLOYMENT

Identify and provide estimates of the impact of the proposed action on competition and employment in the public and private sectors. Include a summary of any data, assumptions and methods used in making these estimates.

There is no estimated effect on competition and employment.